

except for substantiated and reasonable costs incurred in designing the study effort;

(4) Be supported by satisfactory evidence; and

(5) Be figured in accordance with Federal Management Circular 74-4 (39 FR 27133; 43 FR 50977).

**§ 152.205 United States share of project costs.**

(a) *Airport development.* Except as provided in paragraphs (b) and (c) of this section, the following is the United States share of the allowable cost of an airport development project approved for the specified year:

(1) 90 percent in the case of grants made from funds for fiscal years 1976, 1977, and 1978, and grants from funds for fiscal year 1980 made after February 17, 1980, for—

(i) Each air carrier airport, other than a commuter service airport, which enplanes less than one quarter of one percent of the total annual passengers enplaned as determined for purposes of making the latest annual apportionment under section 15(a)(3) of the AADA;

(ii) Each commuter service airport; and

(iii) Each general aviation or reliever airport.

(2) 80 percent in the case of grants made from funds for fiscal year 1979 and grants from funds for fiscal year 1980 made before February 18, 1980, for the airports specified in paragraph (a)(1) of this section.

(3) 75 percent in the case of grants made from funds for fiscal years 1976 through 1980 for airports other than those specified in paragraph (a)(1) of this section.

(b) In a State in which the unappropriated and unreserved public lands and nontaxable Indian lands, both individual and tribal, are more than five percent of the total land in that State, the United States' share under paragraph (a) of this section—

(1) Except as provided in paragraph (b)(2) of this section, shall be increased by the smaller of—

(i) 25 percent; or

(ii) A percentage (rounded to the nearest one-tenth of a percent) equal to one-half of the percentage which the

area of those lands is of the total land area of the state; and

(2) May not exceed the greater of—

(i) The percentage share determined under paragraph (a) of this section; or

(ii) The percentage share applying on June 30, 1975, as determined under paragraph (b)(1) of this section.

(c) In the case of terminal development, the United States share shall be 50 percent.

(d) *Airport planning.* The United States share of the allowable project costs of an airport planning project shall be—

(1) In the case of an airport master plan, that percent for which a project for airport development at that airport would be eligible;

(2) In the case of an airport system plan, 75 percent.

**§ 152.207 Proceeds from disposition of land.**

Unless otherwise authorized by the Administrator, when a release has been granted authorizing the sponsor to dispose of land acquired with assistance under part 151 of this chapter or this part, or through conveyances under the Surplus Property Act, the proceeds realized from the disposal may not be used as matching funds for any airport development project or airport planning grant, but may be used for any other airport purpose.

**§ 152.209 Grant payments: General.**

(a) An application for a grant payment is made on a form and in a manner prescribed by the Administrator, and must be accompanied by any supporting information, that the FAA needs to determine the allowability of any costs for which payment is requested.

(b) *Methods of payment.* Grant payments to sponsors and planning agencies will be made by—

(1) Letter of credit;

(2) Advance by Treasury check; or

(3) Reimbursement by Treasury checks.

(c) *Letter of credit funding.* Letter of credit funding may not be used unless—

(1) There is or will be a continuing relationship between a sponsor or planning agency and the FAA for at least a